Import of substandard products

*342. SHRI R.S. GAVAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to introduce any scheme to prevent imports of substandard quality products in the country;

(b) if so, the details thereof; and

(c) the measures proposed to be taken by Government to stop dumping of cheap goods in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) to (c) Imports in India, apart from being subject to compliance of Export Import Policy; are also subject to compliance of the provisions of any other law for the time being in force. Thus, all imported goods have to comply with all domestic laws, rules, orders, regulations, technical specifications, and environmental safety norms as applicable to domestically produced goods.

In order to prevent import of substandard quality goods into the country, import of 131 products has been made subject to compliance of the mandatory Indian quality standards as applicable to domestic goods. For compliance of this requirement, all manufacturers/exporters of these products to India are required to register themselves with the Bureau of Indian Standards (BIS). The list of 131 products includes various food preservatives and additives, milk powder, infant milk food, certain kinds of cement, household and similar electrical appliances, gas cylinders and multi-purpose dry batteries.

The imports are being closely monitored and the Government is determined to ensure through appropriate use of tariff and other measures that imports do not cause any serious injury or detriment to domestic producers. Some of the steps taken towards that end are as follows:

(i) Custom duties on a nubmer of agricultural and other products have been increased;

(ii) Preliminary antidumping duties have been imposed on import of battery cells and sports shoes from China;

(iii) Import of consumer goods has been made subject to mandatory labelling requirements;

(iv) Counter vailing duty equivalent to the States excise duty is proposed to be imposed on import of alcoholic beverages.

Besides, an Inter-ministerial Groups has been set up under the Chairmanship of Commerce Secretary, to examine the likely impact of QR removal on domestic producers and to suggest suitable measures to be taken by the Government.

Repeal of SICA

*343. SHRI N. K. PREMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to stop the functioning of BIFR and withdraw the Sick Industrial Companies (Special Provisions) Act;

(b) if so, the details thereof; and

(c) what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) Yes, Sir.

(b) Based on the recommendations of various committees including Eradi Committee on Law Relating to Insolvency and Winding up of Companies and the decisions of the Group of Ministers constituted to consider the matter relating to repeal of Sick Industrial Companies (Special Provisions) Act, 1985, (SICA), the Government propose to repeal SICA as per the announcement made in the Budget Speech 2001-2002 by Finance Minister.

(c) The above decision has been taken to remove the lacunae in the existing mechanism and to provide the faster mechanism by replacing the Board for Industiral and Finance Reconstruction (BIFR) and Appellate Authority for Industrial and Financial Reconstruction (AAIFR) with a National Company Law Tribunal and to provide for effective, orderly and expeditious procedure to deal with the matters relating to rehabilitation, revival and winding up of the companies and with a view to avoiding multiplicity of fora such as Company Law Board, BIFR and High Courts.

Statutory audit of panchayats and municipalities

*344. SHRI K. KALAVENKATA RAO: Will the Minister of FINANCE be pleased to state: